GOVERNMENT OF ANDHRA PRADESH

A B S T R A C T

MA&UD Department – Adoption of Modalities to be implemented on Tender- cum-reverse auctioning process or Reverse tendering process for the ongoing works and tendering process for fresh works issued in G.O.Ms.No.67, Water Resources (Reforms) Department, dated:16.8.2019 with Certain Modification - Orders –Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (UH) DEPARTMENT

G.O.MS.No. 271 Dated: 16-10-2019

Read the following:

1. G.O.Ms.No.67, Water Resources (Reforms) Department, dt.16.8.2019.
2. From the Managing Director, APTIDCO Lr.No.9719/RT/APTIDCO/ PCTO/2019, dated: 23.9.2019, 01.10.2019 and 11.10.2019.

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O R D E R:-

In the reference 1st read above, the Government in Water Resources (Reforms) Department have issued modalities to be implemented in the process of tender-cum-Reverse Auctioning process or Reverse Tendering process. It was also ordered that all works departments may adopt the procedure of reverse tendering as mentioned therein.

2. In the reference 2nd read above, the Managing Director, APTIDCO has informed that during the review meeting, the conditions proposed for the reverse tendering in APTIDCO projects were discussed and it was suggested to keep all the conditions that were stipulated in the earlier tenders except conditions in respect of pre-qualification criteria which are to be relaxed so as to have larger participation and the competition thereon. The MD, APTIDCO has requested the Government to issue orders for following G.O.Ms.No.67, Water Resources (Reforms) Department, dt.16.8.2019 with modifications as suggested.

3. Government after careful examination of the proposal of the Managing Director, APTIDCO, hereby adopt the orders issued by the Water Resources Department, in the G.O.Ms.No.67, Water Resources (Reforms) Department, dated 16.08.2019 to the works of APTIDCO with the certain modifications to the clauses No.(ii) (vi) (viii) (xiii) (xiv) and (xv) as shown below :

S.No	Clause No	Existing Clause as per GO.Ms.No.67.	Read as

P.T.O

1	ii)	Before initiating the process of tender-cum-reverse auctioning for ongoing works for which agreements are in force, invariably the agreement should be terminated under appropriate clause of agreement as there is every chance of existing contracting agencies raising objections for fresh reverse tendering process when their agreements are in force. In this regard, legal opinion may be obtained, if required, before initiating the termination of the existing agreement for avoiding legal complications.	Before initiating the process of tender cum reverse auction for ongoing works for which agreements are in force, invariably the agreement should be terminated or part of work can be deleted/ de-scoped with appropriate clause of agreement as there is every chance of existing contracting agencies raising objections for fresh reverse tendering process when their agreements are in force. In this regard, legal opinion may be obtained, if required, before initiating the termination of the existing agreement for avoiding legal complications.
2	vi)	If sufficient competition is not expected, feasibility of splitting up/clubbing the balance work terminated from original agency into smaller/larger packages can be examined to encourage more number of bidders.	If sufficient competition is not expected, feasibility of splitting up/clubbing the balance work terminated or part of work deleted/ de-scoped from original agency into smaller/larger packages can be examined to encourage more number of bidders.
3	viii)	Pre-qualification criteria i.e., a pre-determined threshold for the technical and financial criterion shall be finalized by the department considering the ''balance work'' of the terminated contract.	Pre-qualification criteria i.e., a pre-determined threshold for the technical and financial criterion shall be finalized by the department considering the ''balance work'' of the terminated contract or deleted / de-scoped work.
4	xiii)	All bidders satisfying pre-qualification criterion as per their submittals and self-declaration on e-procurement site shall quote their price offer.	All bidders satisfying pre-qualification criterion as per their submittals and self-declaration on e- procurement site shall quote their initial price offer.
5	xiv)	The Price bids of all the bidders shall be opened and the lowest quoted price bid among the qualified bidders in the tender process shall be determined.	The initial price offers of all the bidders shall be opened and the lowest quoted price bid among the qualified bidders in the tender process shall be determined.

6	xv)	To conduct the reverse tender process at least two bidders would be required.	To conduct reverse tender process at least two bidders would be required. If only single responsive bidder available, Government have the discretion to consider the single responsive bidder when price offer is substantially low i.e., minimum 10% less than the estimated contract value dispensing with reverse auction.
7	XXXii)		If the number of bidders participated in initial tendering are more than Five (05), 60% of the bidders participated in initial tendering (counting from the bidder who has quoted lowest initial price offer) or five (05) whichever is more are to be allowed for reverse tendering. If the number of bidders participated are equal or less than five (05), all bidders are to be allowed to participate in the reverse tendering". Illustration : If no. of bidders are 6 (six), 60 % of 6 will be 3.60 i.e., 4 but all 6 bidders will be allowed. If no. of bidders are 7 (seven), 60 % of 7 will be 4.20 i.e., 4.0 but all 7 bidders will be allowed. If no. of bidders are 8 (eight), 60 % of 8 will be 4.80 i.e., 5.0 but all 8 bidders will be allowed. If no. of bidders are 9 (nine), 60% of 9 will be 5.40 i.e., 5.0 but all 9 bidders will be allowed. If no. of bidders are 10 (ten), 60% of 10 will be 6 and only 6 will be allowed but not 10.

4. The above said orders are for the specific purpose of the bids in respect of TIDCO only and there shall not be any contractual and legal obligations.

5. The Managing Director, AP Township & Infrastructure Development Corporation Limited, Vijayawada shall take necessary action accordingly.

6. This order issues with the concurrence of Finance (FMU.EFS&T, MA&UD & CRDA) Department vide their UO No.FMU0ASD/268/2019 (Computer No.999532), Dated:11.10.2019.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

J.SYAMALA RAO
SECRETARY TO GOVERNMENT

To
The Managing Director, APTIDCO, Vijayawada.
Copy to:-
The Water Resources (Reforms) Department.
The Finance (FMU.EFS&T, MAUD & CRDA) Department.
The Law Department.
The Addl.Secretary to Chief Minister.
The PS to Minister (MAUD).
The PS to Secretary, MAUD.
Sf/Sc.

// FORWARDED :: BY ORDER //

SECTION OFFICER